

## Alabama Awarded \$7.6 Million to Reform Medicaid *Federal Grant is Third Highest in Nation*

MONTGOMERY – Governor Bob Riley today said Alabama is receiving a \$7.6 million federal grant to support the Alabama Medicaid Agency's efforts to transform the state's fragmented claims and process-oriented system into one that is coordinated, patient-centered and cost-efficient. The \$7.6 million federal "transformation" grant is the third-highest being awarded by the U.S. Department of Health and Human Services to improve the efficiency, economy and quality of care of state Medicaid agencies.

"Early in my administration, we set out on a mission to reform the way health and human services are provided in this state," Governor Riley said. "Our innovative plan not only seeks to increase efficiency and reduce duplication, but rightfully keeps the health and well-being of the patient at the forefront."

Alabama's transformation grant proposal, "*Together for Quality*," was selected in a highly competitive process from approximately 130 proposals submitted by more than 40 states. The two-year grant will be used to create a statewide electronic health information system that links Medicaid, state health agencies, providers and private payers while establishing a comprehensive, quality improvement model for the Alabama Medicaid program.

Health and Human Services Secretary Mike Leavitt said in a statement, "These transformation grants express the core goal of this administration to give states the kind of flexibility they need to deliver high quality care in an efficient and economical way. With these grants, states can streamline and modernize their systems, stabilize the exponential growth of the program and protect it in the future."

Governor Riley commended Alabama Medicaid Commissioner Carol Herrmann Steckel and Medicaid Chief of Staff Mary Hayes Finch for their leadership, creativity and vision in developing the proposal in concert with the project's many partners.

"Alabama is well-positioned to transform the state Medicaid program by offering physicians, pharmacists and other health care providers the information they need to improve coordination of care, prevent complications from fragmented health care services and information, reduce patient error rates through electronic health records and medication risk management and increase utilization of generic drugs," he said.

The project will be coordinated by the Alabama Medicaid Agency in cooperation with the Department of Public Health and an advisory council including health care providers, health care professional associations, state agencies, the Task Force to Strengthen Alabama Families, private health plans, health care purchasers, health information

technology entities, business, academia, patient groups, and quality improvement organizations.

For more information on the grant, click here [\[LINK\]](#)

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*For more information, contact the Governor's Press Office at 334-242-7150.*